

COLLECTIVE BARGAINING AGREEMENT

between

SCHAGRIN GAS COMPANY



and

TEAMSTERS LOCAL UNION #326
Affiliated With The
INTERNATIONAL BROTHERHOOD OF
TEAMSTERS

2014 - 2017

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AGREEMENT

THE Agreement effective **October 10, 2014**, and signed this _____ day of _____, _____ by and between SCHAGRIN GAS CO., a Delaware corporation, hereinafter known as the Company and GENERAL TEAMSTERS LOCAL UNION #326, affiliated with the International Brotherhood of Teamsters, hereinafter known as the Union.

RECOGNITION

Section 1. The Company recognizes and acknowledges that the Local Union is the sole and exclusive representative for the purposes of collective bargaining with respect to wages, hours and other terms and conditions of employment of all of its employees in the bargaining unit as defined in Paragraph 2 hereof.

Section 2. The bargaining unit shall include all employees of Schagrin Gas Co. at its Middletown, Delaware and Elkton, Maryland operations, including drivers, service men, mechanics, and yardmen employed by the Company but excluding office clerical employees, guards, watchmen and supervisors as defined in the National Labor Relations Act.

Section 3. This Agreement shall apply to Employer's operations at its facilities located in Middletown, Delaware and Elkton, Maryland, and all work within specific geographic areas, as defined on maps approved by the parties, shall be performed exclusively by the employees covered by this Agreement (except as specifically provided in this Agreement).

ARTICLE 1 **TRAINING/PROBATIONARY EMPLOYEES**

A new employee shall work under the provisions of this Agreement but shall be employed only on a six (6) month training/probationary period, during which period he/she may be discharged without recourse: provided however, that the company may, not discharge or discipline for the purpose of evading this Agreement or discriminating against Union members. After a new employee has been employed sixty (60) days in the training/probationary period he/she shall be placed on the regular seniority list with his/her seniority date being his/her first day in the training/ probationary period. Once he/she is placed on the regular seniority list he/she shall be entitled to all of the terms and conditions including Article 3. The only exceptions to the foregoing shall be that the Company shall have the right to select applicants for the training/probationary program, establish instruction procedures and requirements and to discharge any training/ probationary employees during the training/probationary period.

The Union and the Employer may agree to extend the Training/ Probationary period for no more than three (3) months but the training/probationary employee must agree to such extension in writing.

In case of discipline within the training/probationary period, the Employer shall notify the Union in writing of such discipline.

ARTICLE 2

MANAGEMENT RIGHTS

Management Responsibilities

The Union recognizes that subject to all other provisions of this Agreement, the Company Management shall continue to exercise its exclusive responsibilities to manage the business and direct the working force, including all such rights and functions not expressly limited or modified by this Agreement. Among the exclusive rights of Management referred to above, but not as a wholly inclusive list, are the rights to plan, direct, and control the operations; establishing reasonable work standards; to sub-contract; to determine job content; to maintain order and efficiency of employees; to hire and transfer; to promote or demote employees, to select, instruct, assign, and direct the working force; to determine the qualifications and competency of employees to perform work; to establish and enforce reasonable rules and regulations relative to employees for proper cause; to lay off or release employees because of lack of work or for any other legitimate reason.

ARTICLE 3

UNION SECURITY and CHECKOFF

Section 1. Union Security. All present employees who are members of the Local Union on the effective date of this subsection or on the date of execution of this Agreement, whichever is the later, shall remain members of the Local Union in good standing as a condition of employment. All present employees who are not members of the Local Union and all employees who are hired hereafter shall become and remain members in good standing of the Local Union as a condition of employment on and after the sixtieth (60th) day following the effective date of this subsection or the date of this Agreement, whichever is later. The provisions of this Article 3 shall be made and become effective as of such time as it may be made and become effective under the provisions of the National Labor Relations Act, but not retroactively.

The failure of any person to become a member of the Union at the required time shall obligate the Employer, upon written notice from the Union to such effect and to the further effect that Union membership was available to such person on the same terms and conditions generally available to other members, to forthwith discharge such persons. Further, the failure of any person to maintain his Union Membership in good standing as required herein shall, upon written notice to the employer by the Union to such effect, obligate the Employer to discharge such person.

In the event of any change in the law during the term of this Agreement the Employer agrees that the Union will be entitled to receive the maximum Union security, which may be lawfully permissible.

No provision of this Article shall apply in any State to the extent that it may be prohibited by state law. If under applicable state law additional requirements must be met before any such provision may become effective, such additional requirements shall first be met.

Section 2. Checkoff. The Company agrees once each month to deduct from the pay of all employees covered by this Agreement, the dues, initiation fees and/or uniform assessments of the Union and agrees to remit to the Union all such deductions prior to the end of the month for which the deduction was made.

Where laws require authorization by the employee, the same is to be furnished in the form required. No deduction shall be made which is prohibited by applicable law.

Said written authorization, where required by law, shall be in full force for one (1) year or for the duration of this Agreement, whichever is lesser, and will renew itself automatically from year to year, or to the expiration of this Agreement, which ever is lesser, unless revoked by the employee by a written notice of revocation to the Company executed during the period of thirty (30) days following any period of irrevocability.

The Union shall accept full liability for and indemnify and hold the Company harmless from all claims, grievances, arbitrations, awards, actions, suits, judgments, attachments, or forms of liability that arise out of or by reason of any action taken or not taken by the Company for the purpose of complying with any of the provisions of this Article. The Union assumes full responsibility for the disposition of the funds deducted under paragraph 1 of this Article as soon as they have been remitted by the Company to the designated official of the Union.

Where an employee who is on checkoff is not on the payroll during the week in which the deduction is to be made or has no earnings or insufficient earnings during that week or is on leave of absence, the employee must make arrangements with the Local Union to pay such dues in advance.

Section 3. Drive Authorization and Deduction. The employer agrees to deduct from the paycheck of all employees covered by this agreement voluntary contributions to the political action committee designated by the Local Union. The political action committee designated by the Local Union shall notify the employer of the amount designated by each contributing employee that is to be deducted from his paycheck on a weekly basis for all weeks worked. The phrase "weeks worked" excludes any week other than a week in which the employee earns a wage. The employer shall transmit to the political action committee designated by the Local Union, on a monthly basis, in one check, the total amount deducted. Said monthly check will be accompanied by a listing of employees, their social security numbers and the amount deducted on each employee's behalf. The political action committee designated by the Local Union shall reimburse the employer annually for the actual expense incurred in administering the weekly payroll deduction.

ARTICLE 4

SUPERVISORY PERSONNEL

Supervisory personnel shall be restricted from performing the work, which is recognized as the work of employees covered by this Agreement except that supervisory personnel may perform service work if the work is of a nature that it cannot be done by employees covered by this Agreement. Such a condition shall be deemed to exist for the purpose of this Agreement only if one of the following conditions exist:

- (1) An employee covered by this Agreement requests that assistance of supervisory personnel in connection with the performance of service work;
- (2) There is a second call for service by a customer on the same complaint for which an employee covered by this Agreement has previously made a service call; or
- (3) The service call involves the servicing of water conditioning equipment.

Supervisory personnel may also perform work which is recognized as the work of employees covered by this Agreement if an emergency condition is found to exist which is dangerous and hazardous to the safety and health of customers or the public and a sufficient number of qualified men covered by this Agreement are not available to perform the work within a reasonable time consistent with the emergency. If it is later determined that an emergency condition of this nature did not exist or that a qualified man was available, then the employee who would have been entitled to perform the service work pursuant to the provisions of this Agreement shall be paid wages he would have been entitled to if he had performed the work.

It is further understood that a supervisor may perform service or delivery work in situations in which a customer insists on performance within a period of time during which the requisite qualified personnel from the bargaining unit are not available and it may reasonably be anticipated that failure to conform with the customer's request would result in loss of business. It is agreed that if bargaining unit work performed by supervisors pursuant to this business loss paragraph gives rise to unresolved grievances that employees were deprived of work opportunities then the Union shall have the right to renegotiate the terms of this paragraph only and in the event agreement is not reached concerning revisions of this paragraph, the matter may be submitted to arbitration at step 3 of the grievance procedure.

ARTICLE 5

STEWARDS

Section 1. The Employer recognizes the right of the Union to designate one job steward and one alternate from the Employer's seniority list.

The authority of the job stewards and alternates so designated by the Union shall be limited to and shall not exceed the following duties and activities:

a. The investigation and presentation of grievances to the Employer or the designated Company representative in accordance with the provisions of the collective bargaining Agreement;

b. The transmission of such messages and information which shall originate with and are authorized by the Local Union, or its officers, provided such messages and information:

1. have been reduced to writing, or
2. if not reduced to writing, are of a routine nature and do not involve work stoppages, slowdowns, refusal to handle goods, or any other interference with the Employer's business.

Job stewards and alternates have no authority to take strike action, or any other action interrupting the Employer's business except as authorized by official action of the Union. The Employer recognizes these limitations upon the authority of job stewards and their alternates and shall not hold the Union liable for any unauthorized acts. The Employer in so recognizing such limitations shall have the authority to impose proper discipline, including discharge, in the event the shop steward has taken unauthorized strike action, slowdown, or work stoppage, refusal to handle goods or any, other interference with Employer's business, in violation of this Agreement.

Stewards shall be permitted reasonable time to present and process grievances on the Company property without loss of time or pay during his regular working hours and where mutually agreed to by the Local Union and Employer. Such time spent in handling grievances during the Stewards regular working hours shall be considered working hours in computing daily and/or weekly overtime if within the regular schedule of the Steward.

ARTICLE 6

DISCHARGE or SUSPENSION

Section 1. The Employer shall not discharge nor suspend any employee without just cause and not until the case has been discussed with a Business Agent except where the provisions of this Article provide for immediate discharge. A representative of the Union must be in personal contact with the company within twenty-four (24) hours after notice to the Union of the discharge or suspension. If there is no response by a Union representative within the twenty-four (24) hour period, the Employer may take appropriate action subject to appeal through the grievance procedure. Employer need not discuss the case with Business Agent prior to discharge if the cause of such discharge is:

- (a) Calling an unauthorized strike or walkout.
- (b) Drunkenness, drinking or using drugs (other than over the counter drugs or those prescribed by a physician for use by the employee during working hours (including lunch time) or being under the influence of liquor or prohibited drugs during working hours (including lunch time).
- (c) Proven theft or dishonesty.

- (d) Unprovoked assault on his Employer or his Employer's representative during working hours.

Section 2. Any employee discharged must be paid in full for all wages owed him by the Employer, including earned vacation pay, if any, within seven (7) days from the date of discharge.

Section 3. In the event an employee receives a traffic citation for a moving violation while on duty which would contribute to a suspension or revocation or suffers a suspension or revocation of the right to drive the Employer's equipment for any reason, the employee must promptly notify the Employer in writing. The employee will retain his/her seniority until his suspension or revocation is restored, or one year from the date of suspension, whichever is less.

If such suspension or revocation comes as a result of the employee complying with the Employer's instruction, which results in a succession of size and weight penalties or because the employee complied with the Employer's instruction to drive its equipment which is in violation of D.O.T. regulations relating to equipment or because its equipment did not have either a speedometer or a tachometer in proper working order which has been reported to the Employer, except in unusual circumstances, and if the employee has notified the Employer of the citation for such violation as mentioned above, the Employer shall provide employment to such employee at not less than the employee's regular earnings at the time of such suspension for the entire period of revocation required by the offense, subject to the seniority and layoff provisions applicable to the employee at time of suspension.

Section 4. Excessive absenteeism shall be subject to verbal warning in a meeting with Employer, steward, and employee. If employee fails to correct his attendance record, he shall be subject to appropriate warning and disciplinary action, including dismissal.

Where an employee has been absent from work, he must advise the Employer of his return to work in accordance with the Employer's practice or rule mutually agreed to; otherwise, employee will not be permitted to work that day.

Section 5. The Rules of Conduct and the penalties to be charged for violations of same, attached hereto as Appendix B, were agreed to so that the employees may know what duties are required of them in the general conduct of the Employer's business.

ARTICLE 7

GRIEVANCE PROCEDURE

Section 1. A grievance is hereby defined to be any alleged violation of a provision of this Agreement by either party. Any grievance as defined above arising between the Company and the Union or an employee represented by the Union shall be settled in the following manner:

Step 1. The aggrieved person or the Steward must present the grievance orally to the foreman within seven (7) working days after the reason for the grievance has occurred. In the

case of a wage dispute not discovered until the employee received his paycheck, the seven (7) days shall start from the date the employee received his paycheck. If a satisfactory settlement is not effected with the foreman within three (3) working days, the aggrieved party may proceed to Step 2. The time limitation provided herein is also applicable to the Company taking disciplinary action against an employee. Specifically, notice of disciplinary action must be taken against the employee within seven (7) days of when the company first became aware of any alleged infraction or the Company's position is null and void.

Step 2. Within seven (7) days of the presenting of the grievance at Step 1 the Shop Steward shall submit a written grievance and take the matter up with a representative of the Company with authority to act upon such grievance. The Company will submit a written answer to the Union within five (5) working days.

Step 3. If the dispute cannot be settled by the Employer and the Union, and the Union desires to submit the dispute to arbitration with the American Arbitration Association, the Union must do so within twenty (20) working days subsequent to the Union's receipt of the Company's written response. The arbitrator shall be selected and the arbitration will be conducted under the then existing rules of the AAA. The time limits contained in this Article may be waived by mutual agreement. The expense of the Arbitrator shall be borne equally by the Company and the Union.

Section 2. The Arbitrator shall not have the authority to amend or modify this Agreement or establish new terms or conditions under this Agreement. The Arbitrator shall determine any question of arbitrability. In any arbitration, the Arbitrator shall only have the right to determine the merits of the issue submitted to him and shall not substitute his judgment as to any penalty which may have been imposed or action previously taken.

In discharge cases, however, the Arbitrator shall have the right, should he deem the discharge to have been without just cause, to order full, partial, or no back pay, with or without reinstatement, in accordance with the equities.

Section 3. Both parties agree to accept the decision of the Arbitrator as final and binding. If either party fails to comply with the Arbitrator's Award either party has a right to take all legal and economic action to enforce compliance.

Section 4. No award of an arbitrator shall be retroactive beyond the date of the filing of a grievance as provided herein, except when the grievance was first discovered when an employee received his paycheck and the grievance was timely filed. In this case, the retroactivity extends to that pay period.

Section 5. The parties agree that they will follow the foregoing steps, time limits and conditions contained therein. If in any step the Company's representative fails to give a written answer within the time limits set forth herein, the position of the Company shall be deemed null and void. If the employee or Union fails to process a grievance within the time limits set forth herein, the grievance shall be deemed null and void.

Section 6. Notwithstanding anything herein contained, it is agreed that in the event the Company is delinquent at the end of a period of four (4) weeks or such longer period as has been mutually agreed to in the payment of its contribution to the Health and Welfare and/or Pension Fund or Funds, and Life Insurance payments, if any, created under this Agreement, in accordance with the rules and regulations of the trustees of such funds, after the proper official of the Union has given seventy-two (72) hours notice to the Company of such delinquency in Health and Welfare and/or Pension payments, and Life insurance payments, if any, the employees or their representatives shall have the right to take such legal or economic action as may be necessary until such delinquent payments are made, and it is further agreed that in the event such action is taken, the Employer shall be liable for all claims, damages, attorneys' fees, Court costs, plus all arrears in payment, plus a 10% penalty.

Section 7. Failure to live up to an agreed settlement or an arbitrator's award shall give either party the right to take all legal and economic action to enforce its demands.

Section 8. An employee's right to appeal a warning letter or reprimand will be protected if, within ten (10) working days of the receipt of such letter, a written protest is made to the Company by the Union. Appeals regarding the merit of a warning letter will not be heard before an arbitrator until the grievant has been given disciplinary time off or has been discharged.

ARTICLE 8

NO STRIKES - NO LOCKOUTS

Section 1. The Company and the Union agree that there shall be no strike, picketing, lockout, sickouts, or slowdown during the length of this Contract, except only if a party has failed to live up to an Arbitrator's lawful Award, or an agreed settlement of a grievance, or the Company has violated the delinquent payment language relating to contributions to Health and Welfare or Pension.

During and for the period of any lockout or strike or sickout, the Company shall not be liable for any contributions to Health and Welfare or Pension Fund or Funds, except a strike over failure to live up to an Arbitrators Award or failure, prior to the strike, to pay Health and Welfare.

ARTICLE 9

SENIORITY

Section 1. Seniority shall be determined by length of continuous service with the Company.

Section 2. During the first sixty (60) days of his/her employment, an employee shall be deemed a Training/Probationary employee. No employee shall attain seniority rights until the completion of his/her Training/Probationary period, (first sixty (60)) days as outlined in Article 1, at which time his seniority shall be dated back to the beginning of his Training/Probationary period for the purpose of layoff and recall only (NOT Pension and Not Health and Welfare contributions or Wages). However, if the employee was already in the Philadelphia Health and Welfare and

Pension funds identified in Articles 27 and 28 prior to his being hired by the Company, then Health and Welfare and Pension contributions shall be paid retroactive to the beginning of his training/probationary period. The discharge of a Training/ Probationary employee shall not be subject to the grievance procedure under Article 7 of this Agreement.

Section 3. In all cases of reduction in work force, seniority shall govern unless the senior employee is not qualified by training and experience to perform the job, which he will be required to do as a result of the reduction of work force.

Section 4. Employees shall be recalled from layoff in the reverse order of layoff and in accordance with the skills required. The Company shall give an employee laid off 5-days notice of recall mailed to his last known address by registered or certified mail or telegram with verification of delivery. The employee must notify the employer within three (3) days after receipt thereof as to whether or not he intends to report for work and must actually report to work within two (2) weeks after receipt thereof, unless otherwise mutually agreed to.

Section 5. Seniority shall be lost for:

- a. Quitting.
- b. Discharge.
- c. Failure to report to work at the expiration of any leave of absence without acceptable cause.
- d. Failure to notify the employer or to return to work as required by Section 4 above.
- e. Absence for three (3) consecutive working days without notice, unless prevented from giving notice by cause acceptable to the Company; in which case the employee shall be considered to be discharged.
- f. Layoff in excess of eighteen (18) months.
- g. Inability to perform duties because of illness or injury for a period in excess of one (1) year, subject to doctor's opinion.
- h. Soliciting the Company's customers at any time, even if on leave of absence or layoff.

Section 6. The Employer shall submit an up-to-date seniority list to the Union on January 1 of each year, and the Union may post such list on the Bulletin Board.

Section 7. Any employee on the seniority list who is absent because of illness or injury shall accumulate seniority solely for the purpose of determining his place on the seniority list. However, upon being able to return to work, he shall immediately inform the Company of his return date, with at least 3 day's notice to the Company.

Section 8. A list of employees arranged in order of seniority shall be posted in a conspicuous place at their place of employment. The steward shall be granted superseniority for purposes of layoff and rehire. Any controversy over the seniority standing of any, employee on the seniority list shall be submitted to the grievance procedure.

Section 9. Seniority shall apply to the selection of shifts and the Company recognizes the general principle that senior employees shall have preference to choose on a permanent basis day or night shift, first or second shift, provided such employees qualify for available work.

ARTICLE 10

ABSENCE

Section 1. Time off for Union Activities The Company agrees to grant the necessary and reasonable time off, without discrimination or loss of seniority rights and without pay or any other benefits, to any employee designated by the Union to attend a labor convention or serve in any capacity on other official Union business, provided forty-eight (48) hours' written notice is given to the Company by the Union, specifying the approximate length of time he may be off. The Union agrees that, in making its request for time off for Union activities, due consideration shall be given to the number of men affected in order that there shall be no disruption of the Company's operations due to lack of available employees.

Section 2. Leave of Absence Any employee desiring leave of absence from his employment shall secure written permission from both the Union and the Company. The maximum leave of absence shall be for one (1) year and may be extended for like periods. Permission for same must be secured from both the Union and the Company. During the period of absence, the employee shall not engage in gainful employment in the same industry covered by this contract. Failure to comply with this provision shall result in the complete loss of seniority rights for employees involved. Inability to work because of proven sickness or injury shall not result in the loss of seniority rights.

Employer agrees to grant the necessary and reasonable time off, without discrimination or loss of seniority and without pay or other benefits, to any employee designated by the Union in writing to the Company to act as elected Union officer, business agent, or organizer.

The employee must make suitable arrangements for continuation of health and welfare and pension payments and life insurance payments if any at his expense before the leave or any extension thereof may be approved by either the Union or the Company.

ARTICLE 11

BULLETIN BOARD

The Company agrees to provide suitable space for the Union bulletin board in each place of work. Postings by the Union on such boards are to be confined to official business of the Union. A copy of this Agreement shall be posted in a conspicuous place on that bulletin board in each place of work.

ARTICLE 12

INSPECTION PRIVILEGES

The Company shall permit accredited representatives of the Union to enter the Company facilities for purposes consistent with this Agreement. The Company reserves the right to have a representative of the Company accompany each such Union Representative while he is in the Company facilities. Such Union representative on such visit shall not stop any employee from working and shall not interfere with or interrupt any operation within the company facilities except with the specific permission of the Company.

ARTICLE 13

SEPARABILITY and SAVINGS CLAUSE

If any article or section of this Agreement should be held invalid by operation of law or by any tribunal of competent jurisdiction, or if compliance with or enforcement of any article or section should be restrained by such tribunal pending a final determination as to its validity, the remainder of this Agreement or the application of such article or sections to persons or circumstances other than those as to which it has been held invalid or to which compliance with or enforcement of has been restrained, shall not be affected thereby.

In the event that any article or section is held invalid or enforcement of or compliance with which has been restrained, as above set forth, the parties affected thereby shall enter into immediate collective bargaining negotiations after receipt of written notice of the desired amendments by either employer or union for the purpose of arriving at a mutually satisfactory replacement for such Article or Section during the period of invalidity or restraint. There shall be no limitations of time for such written notice. If the parties do not agree on a mutually satisfactory replacement within sixty (60) days after receipt of the stated written notice, either party may demand arbitration as per grievance procedure.

ARTICLE 14

WAGES and WORKWEEK

Section 1. Intent. No provision of this Agreement shall be construed as a guarantee of minimum number of hours of work per day or week, or pay in lieu thereof, except as specifically provided by this Agreement.

The Following wage increase shall be given to all employees who have completed their probationary period as of the date of each such increase, subject to the terms of Appendix "A".

Oct. 10, 2015

Eighty five cents (\$.85) per hour to be applied to wages and/or benefits at the designation of the Union.

Oct. 10, 2016

Ninety cents (\$.90) per hour to be applied to wages and/or benefits at the designation of the Union.

During his/her first sixty (60) days a Training/Probationary employee's base wage rate will be one dollar (\$1.00) less than a regular employee's base wage rate.

Section 2. Shift Premium. When business circumstances necessitate, the Company, may, establish a second shift with a starting time from 6 to 8 P.M., which shall consist of at least one service technician and/or one delivery/service person and/or one transport driver. Positions in the second shift shall be bid on the basis of seniority and the employees working this shift shall be entitled to a shift premium of seventy-five cents (.75) per hour. If no person[s] bid, the positions will be filled by the least senior qualified person[s].

Section 3. Premium Pay for Overtime. The workweek shall begin at 12:01 a.m. on Monday and end at 12 midnight on Sunday. One and one half (1 1/2) times the basic hourly rate of the employee, including any applicable shift premium, shall be paid for all hours worked in excess of eight (8) hours in any workday or forty (40) in any workweek.

If a holiday is observed by the Company Monday through Friday, an unworked holiday shall be counted as eight (8) hours towards qualifying for working forty (40) straight time hours for a seniority employee.

Section 4. Work Performed by Seniority Employees on a Holiday Recognized by the Company. Holidays recognized by the Company are listed. One and one-half (1-1/2) times the basic hourly rate of the employee, including any applicable shift premium, shall be paid for all hours worked on a holiday recognized by the Company. If an employee is scheduled to work on a holiday and he does work the hours scheduled by the Company, he will then be paid eight (8) hours at straight time as holiday pay. Any employee who works on a holiday will receive eight (8) hours pay straight time as holiday pay and one and a half times the basic hourly rate for the eight (8) hours actually worked for a total of twenty (20) hours pay. Any employee who works more than eight (8) hours on any holiday shall be paid for all hours worked in excess of eight (8) hours at two and one-half times (2 1/2) the straight hourly rate. If an employee is not scheduled to work on a holiday and is called in to work on an emergency, he will receive, in addition to eight (8) hours at straight time as holiday pay, a minimum of four (4) hours pay at one and one half times the basic hourly rate even if the number of hours actually worked is less than four (4) hours.

If a holiday falls on a Saturday it shall be celebrated on Friday. Friday shall be considered the holiday. If a holiday falls on Sunday it shall be celebrated on Monday. Monday shall be considered as the holiday.

Starting time and shifts shall not be changed to circumvent application of the above provisions relating to holiday pay.

The provisions for a minimum payment of three (3) hours at one and a half times the basic hourly rate shall be applicable specifically to any case in which an employee is called in on an emergency on a Saturday or Sunday.

Section 5. Work Performed by a Training/Probationary Employee on a Holiday Recognized by the Company. Training/Probationary employees shall be compensated, at their hourly rate for work performed on a holiday recognized by the Company in the same manner as regular non-Training/Probationary employees. Training/Probationary employees are not entitled to receive holiday pay until they have completed their initial sixty (60) days, at which time they shall be entitled to receive holiday pay.

Section 6 Overtime. An employee scheduled for reasonable overtime work shall do so, except when he has adequate reason for not doing so and the Company, therefore, excuses him from working such overtime.

Section 7. Report-In Pay. When an employee reports for work on his regular shift, or scheduled Saturday shift or Sunday shift without at least two (2) hours previous notice that no work is available, he shall receive pay in lieu of work equal to eight (8) straight time hours. This paragraph shall not apply when the failure to provide work is due to a labor dispute, fire, flood, Acts of God, or conditions and circumstances beyond the Company's control. The benefit provided by this paragraph shall not be made available to any employee who fails to work the complete prior workday. Nor shall it apply to an employee who is not permitted to work because he is disciplined by the Company for just cause. In the event an employee does not report to work within thirty (30) minutes after the time scheduled to report after being "called in," unless the employee advises management of his anticipated lateness, the Company may send him home without pay, provided that the Employer may, for good cause, excuse the employee.

Section 8. Call-In Pay. When an employee is called back to work after completing his shift, he shall be guaranteed not less than three (3) hours pay at one and one-half (1 1/2) times his regular rate. He will be required to work at duties as assigned to him and will remain up to eight (8) hours (at time-and-a-half) if needed by the Company. Call-in pay does not apply when an employee reports to work at Company request at a starting time earlier than a regular starting time if he was told to do so on his previous shift. If he was notified after his previous shift to come in earlier to start working his next shift, he shall be paid time and one-half (1 1/2) for the work he performed prior to the start of his regular shift with a guarantee of one (1) hour at overtime rate.

Two employees shall be on call from 4:30 P.M. Friday through 8 A.M. the following Friday on a weekly rotation basis by seniority (most senior to least senior) The on call schedule shall be on a year round basis, or otherwise as determined by the Company (if holidays are not covered equally). The on call employees shall be paid a weekly bonus of one hundred dollars (\$125.00) during the week they are on call.

Section 9. Saturday and Sunday Premium. Time and one-half (1 1/2) as such shall be paid for all work performed on Saturday and Sunday. Double time shall be paid on Sunday when it is the seventh consecutive day worked. Saturday shall be defined as the time between 12 midnight Friday and 12 midnight Saturday; and Sunday shall be defined as the time between 12 midnight Saturday and 12 midnight Sunday.

All employees will be guaranteed at least one (1) Saturday off every four (4) weeks. Employees cannot be forced to work more than three (3) Saturdays in any four (4) week cycle, and, further, cannot be disciplined for refusing to do so.

Section 10. Pyramiding. The allowance of an overtime premium for any time excludes that time from consideration of overtime payment on any other basis, thus eliminating any overtime pyramiding.

Section 11. Rates of Pay. A wage schedule setting forth the rates of pay of the employees covered by this Agreement shall be attached hereto and made part of this Agreement. The wage schedule shall be known as "Appendix A". Newly hired training/probationary employees, while on probation, first sixty (60) days, shall receive \$1.00 per hour less than the rate for that classification. Present employees who are attempting to move to a higher paying classification shall, while on probation in the new classification, continue to be paid at their existing rate.

Section 12. Laid Off Employees. When an employee who is laid off is called back to work on an emergency basis, he shall be guaranteed eight (8) hours pay at his regular rate of pay. In the event the work he is called in to do does not last for eight (8) hours, he may be assigned other work by the Company. A laid off employee called in to work by the Company on an emergency basis cannot be compelled to work if only one or two days work is involved and the doing of such work by the employee would involve loss of unemployment compensation benefits for the week in question.

Section 13. Part Time Employees. The Company shall not use part time employees for any work which is recognized as the work of the employees covered by this Agreement unless all regular employees covered by this Agreement are given an opportunity to work forty (40) hours work in any week when part time employees are used. The Company shall not lay off full time employees and use part time employees while any such regular employee is laid off. The Company agrees that it will schedule maintenance work within the limits of its control, so as not to deprive regular men of employment at any time.

Section 14. New Classifications. The Company shall have no right during the existence of this Agreement or any extension thereof to create new bargaining unit job classifications without negotiation of rates for such classifications. If the parties are unable to agree on rates for new classifications, the matter will be submitted to arbitration under the arbitration provision of the contract.

ARTICLE 15

JURY DUTY

Employees required to serve on a jury will be paid the difference between eight (8) hours pay at the applicable hourly wage rate and actual payment received for jury service, up to a maximum of ten (10) days per year. As soon as reasonable after being notified that he/she has been called for jury duty, an employee shall notify the Company. Failure to provide reasonable notice shall disqualify the employee from the receipt of jury duty pay.

ARTICLE 16
HOLIDAYS and SICK LEAVE

Section 1. The parties recognize the following holidays:

New Year's Day	Thanksgiving Day
Memorial Day	Christmas Day
Fourth of July	The Employee's Birthday
Labor Day	Good Friday

Each employee on the seniority list shall be entitled to seven (7) personal holidays during the calendar year. An employee hired after the execution of this Agreement, in order to qualify for any holiday, must have completed his probationary period. An employee shall be required to give the Employer at least two (2) full workday's notice of his intent to take a personal holiday, unless the personal holiday is taken for reasons of illness or disability. The Company may at its discretion require employees who are absent for three (3) consecutive days due to illness or disability to furnish substantiating evidence or a statement from their attending physician certifying that the absence was the result of illness or disability. The selection of a personal holiday, other than those resulting from illness or disability, shall be subject to the approval of the Employer.

The Company will pay employees for up to (3) personal holidays during the month following completion of the contract year.

Section 2. Any employee on the seniority list who does not work on such holiday shall be paid at his ordinary straight time wage rate for such holiday, provided that any employee who is scheduled to work the work day before and the work day after the holiday shall forfeit his holiday pay if he does not work on both the work day before and the work day after the holiday. Employees who fail to work their first scheduled shift following a paid holiday because of bona fide illness or accident shall receive holiday pay. The Company shall have the right to require a doctor's certificate attesting a claimed illness or accident. It is understood that the requirement that the employee work the day before and the day after the holiday shall not be applicable to employees who take personal holidays with proper notice. An employee on layoff for two (2) weeks or more prior to Christmas Day or New Year's Day shall not be entitled to holiday pay for Christmas Day or New Year's Day unless the Company recalls him to work within two (2) weeks after Christmas Day, or New Year's Day. An employee on layoff for one (1) week or more prior to any of the eight holidays set forth above shall not be entitled to holiday pay unless the Company recalls him and he returns to work within one (1) week after any of these holidays.

Section 3. Any employee who has resigned or has been properly dismissed for cause, prior to any of the holidays set forth above, shall not be entitled to any holiday pay.

Section 4. Hours not worked for which holiday pay, is received shall be counted as hours worked for the purpose of computing the number of hours worked in such work week after which the

employee is entitled to overtime pay unless the holiday falls on an employee's day off. In any holiday week, seniority employees shall not be laid off at any time during such week and shall be guaranteed a full week's pay or a full week's work in such holiday week. For example, a seniority employee who works five (5) days per week shall receive a minimum of five (5) days straight time pay in a holiday week. A Seniority employee who regularly works three (3) days shall receive a minimum of three (3) days straight-time pay in a holiday week.

ARTICLE 17

FUNERAL LEAVE

In the event of death in an employee's immediate family (which consists of parents, grandparents, wife, children, brother, sister, mother-in-law, father-in-law, Brother-in-Law, Sister-in-Law and step children) the Employer shall grant such employee a maximum of three (3) workdays contiguous to burial off with pay to attend the funeral, provided they are the employee's regularly scheduled work days. The Company may require proof of death and relationship and the employee must actually attend the funeral involved in order to collect pay under this section. The employee will receive eight (8) hours pay at his regular straight time rate of pay for each day off under this section.

ARTICLE 18

VACATIONS

Section 1.

(a). Every regular employee who has been continuously in the employ of the Company for a period of one (1) year and who meets the other qualifications set forth herein shall be entitled to receive one (1) week's vacation with pay (as defined herein), as scheduled by the Company, in the manner hereinafter provided after his first anniversary date and during each year thereafter until his second (2nd) anniversary date.

(b). Every regular employee who has been continuously in the employ of the Company for a period of two (2) years or more and who meets the other qualifications set forth herein shall be entitled to receive two (2) weeks' vacation with pay (as defined herein) as scheduled by the Company in the manner hereinafter provided after his second (2nd) anniversary date and during each year thereafter until his eighth (8th) anniversary date.

(c). Every regular employee who has been continuously in the employ of the Company for a period of eight (8) years or more and who meets the other qualifications set forth herein shall be entitled to receive three (3) weeks' vacation with pay (as defined herein) as scheduled by the Company in the manner hereinafter provided after his eighth (8th) anniversary date and during each year thereafter until his fifteenth (15th) anniversary date.

(d). Every regular employee who has been continuously in the employ of the Company for a period of fourteen (14) years or more and who meets the other qualifications set forth herein shall be entitled to receive four (4) weeks' vacation with pay (as defined herein) as

scheduled by the Company in the manner provided hereinafter after his fourteenth (14th) anniversary date and during each year thereafter.

Section 2.

(a). To qualify for a vacation an employee in addition to having been continuously employed by the Company for one (1), two (2), eight (8) or fourteen (14) years respectively must not have been absent from work during his anniversary year for more than fifty (50) days on which he was afforded the opportunity to work by the Company provided that absence caused by legitimate illness, or an accident, shall not be counted.

(b). If an employee loses less than six (6) calendar months or less than one hundred thirty (130) working days (and has returned to work) because of proven illness, accident or layoff in the twelve (12) months since his last vacation, he shall be entitled to his full vacation with pay. If an employee loses six (6) or more calendar months or one hundred thirty (130) or more working days (and has returned to work) because of proven illness, accident or layoff in the twelve (12) months since his last vacation, he shall be entitled to a pro-rata share of his vacation.

Section 3.

(a). The Company shall allow up to two (2) employees to take off per week at each location (Elkton and Middletown), but in no case shall more than two (2) from any department be allowed off at any given time, unless mutually agreed to by the Company and the Union. (Departments shall be defined as service & bulk truck driver).

Unless there is an emergency that requires that all available employee's work, the Company will grant a request for vacation time to at least one truck driver for one week during the month of October. The Company shall also grant a request for one week's vacation during the month of March to a Service Technician. Employees must select their vacations according to their seniority unless mutually agreed to by the Union and the Company. The vacation period of each qualified employee shall be set with due regard to the dates, seniority and preference of the employees consistent with the efficient operation of the Company's business. Vacations shall be scheduled on a year round basis. Employees will indicate their first second and third vacation preferences on a list to be provided by the Employer on or before March 31, of each year; the Employer shall post vacation times on or after April 30 of each year.

The Company agrees to afford the more senior employee his vacation preference wherever consistent with business requirements.

(b). The vacation period for eligible employees shall consist of consecutive days, provided that in the case of employees entitled to two (2) weeks' vacation, the Company may split the vacation into two (2) separate one-week periods with the consent of the eligible employee.

If, in the future, Company and Union agree that a manpower shortage has developed an employee may be required to work during the vacation period but in such event he shall receive in addition to his earning for that week the pay to which he would have been entitled had he been on vacation.

If an employee's vacation falls in a week in which a holiday recognized by this Agreement falls the employee shall receive an additional day's vacation or a day's pay at straight time rates in lieu thereof to be determined by the Company.

Section 4.

(a). Vacation pay shall be paid to the eligible employee before he starts his vacation provided he provides a written request for payment on a form provided by the Company. An eligible employee who participates in the Company's direct deposit and who makes such a request shall be issued his vacation pay in the form of a payroll check.

(b). Upon notice of permanent layoff, except discharge for just cause, any employee on the seniority list with one or more years of service shall be entitled to vacation pay on a pro-rata basis to date of layoff. If such employee is discharged for just cause, he shall be entitled to vacation pay for unused vacation up to his last anniversary date of hire.

(c). Returning servicemen who would be entitled to receive a vacation under the Soldiers & Sailors' Civil Relief Act by virtue of this Agreement, shall receive a vacation, or pay in lieu thereof, as set forth above. The number of days after his return, but prior to his anniversary date of the year in which the vacation is to be granted, which servicemen may have missed from work and still qualify for a vacation shall be apportioned to the time since his return to work. For example, if a serviceman has returned to work six (6) months prior to his anniversary date of the year in which the vacation is to be granted, he shall not have missed work more than twenty-five (25) days on which work was available to him. If he returned three (3) months prior to his anniversary date of the year in which the vacation is to be granted, he shall not have missed more than twelve (12) days on which work was made available. (If a fraction results in any computation of the percentage, the next lower number of days shall be considered).

(d). Vacation pay shall be defined as an employee's regular week's pay at his regular straight time rate.

ARTICLE 19

LUNCH PERIOD and COFFEE BREAKS

Employees shall take off one-half hour for a lunch period. The Lunch period is without pay, and should commence between the fourth and sixth hour after the beginning of the work shift. Employees shall also be entitled to coffee breaks consisting of fifteen minutes in the morning and fifteen minutes in the afternoon with pay, provided: (1) for employees whose work day is scheduled to begin earlier than 8:00 a.m., no breaks shall be permitted to be taken after 3:00 p.m. (4:00 p.m. for employees whose work day, is scheduled to begin at 8:00 a.m. or later), unless authorized by the Company; and provided further: (2) that where an employee is required to work more than two (2) hours beyond the end of his regular shift, an additional break shall be provided after the tenth (10th) hour of continuous employment. Any abuse of these periods will be subject to disciplinary action pursuant to the Agreement.

ARTICLE 20

UNIFORMS

Section 1. The Company will supply winter and summer uniforms, which must be worn at all times during the workday unless excused by the Company. Said uniforms are to be replaced as needed. Responsibility for maintaining and cleaning said uniforms is entirely that of the employees; provided, however, that the Company agrees to replace worn and/or unusable uniforms. The Company agrees to provide to each employee in the bargaining unit at least one (1) pair of coveralls to be used in the performance of the employee's work. The Company agrees to provide to each employee in the bargaining unit at least one (1) pair of gloves to be used in the performance of the employee's work. Said gloves are to be replaced as needed. Responsibility for maintaining and cleaning said coveralls is entirely that of the employees; provided, however, that the Company agrees to replace worn or unusable coveralls up to once each year, upon being properly turned in to the Company by the employee for replacement.

Section 2. The Company further agrees to provide adequate and appropriate rain gear to employees whose work assignments require their use. It shall be the responsibility of the employees to maintain said rain gear, and to return it to the Company upon request.

Section 3. The Company will pay up to **\$100.00** per contract year towards the purchase of safety shoes, which must be worn at all times during the work day.

ARTICLE 21

SAFETY

Section 1. All drivers and service men employed by the Company will be expected to adhere to the provisions of the National Fire Protection Association Pamphlet No. 58 entitled "Standard For The Storage and Handling of Liquefied Petroleum Gases." The Company shall be responsible for furnishing each employee with a copy of this pamphlet. The Company shall also be responsible for educating and training the employees with respect to the provisions of this pamphlet and no disciplinary action shall be taken against any employee for a violation of the standard set forth in this document unless the employer has specifically brought the standard or provision violated to the attention of the employee in a training session conducted on Company time.

Section 2. A first aid kit shall be installed in each Company truck. The Company shall furnish forms for employee reporting of defects in equipment, which employees shall complete in triplicate; the Employer will acknowledge receipt of such reports.

Section 3. The parties agree that the delivery of tanks shall be handled as efficiently as possible, recognizing however, that in no instance will efficiency be placed ahead of employee safety, thereby jeopardizing the well being of employees.

Where deliveries or pickups cannot be safely accomplished by the employees assigned, the Employer agrees to dispatch the additional employees necessary to safely complete the delivery or pickup.

Section 4. The Company agrees to continue its present practice of replacing employee-owned tools damaged in the course of Company business; provided that such tools are turned in to the Company on the day, they are damaged. Employees using Company-owned tools shall sign for such tools on forms provided by the Company and shall be financially responsible for such tools.

Section 5. The chief mechanic and the Union shop steward shall have the final say on the operation of allegedly defective equipment, provided: (1) that if a decision must be made concerning the operation of allegedly defective equipment, and no shop steward is readily available, such decision shall be made by the chief mechanic; (2) in the event of a disagreement between the chief mechanic and the shop steward regarding the operation of such allegedly defective equipment, the final say thereon shall be made by Company management.

Section 6. The Company will cooperate in expediting compensation claims for on-the-job injury and will continue its current practices regarding treatment for job-incurred injury.

ARTICLE 22

STARTING TIMES

The starting time for the first shift shall be 7:00 A.M., except that one driver shall start as a loader at 6:00 A.M. and one driver shall start at 8:00 A.M. The starting time for service/technicians shall be either 7:00 A.M. or 8:00 A.M. The second shift, which shall consist of one service/ technician and/or one transport driver and/or delivery/ serviceperson, shall be from 6:00 P.M. to 8:00 P.M. at the discretion of the Company. Shift selection shall be awarded by seniority.

ARTICLE 23

DISCOUNTS

The employees, for their personal use only, shall continue to receive the same discounts in connection with the purchase of liquefied petroleum gas and household appliances.

ARTICLE 24

PROTECTION OF RIGHTS

Section 1. Picket Lines. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action nor shall such employee be permanently replaced in the event an employee refuses to enter upon any property involved in a primary labor dispute, or refuses to go through or work behind any primary picket line, including the primary picket line of Unions

party to this Agreement and including primary picket lines at the Employer's place of business, provided it doesn't violate any other provision of this contract.

Section 2. Struck Goods. It shall not be a violation of this Agreement, and it shall not be cause for discharge or disciplinary action nor shall such employee be permanently replaced if any employee refuses to perform any service which his Employer undertakes to perform as an ally of an Employer or persons whose employees are on strike, and which service, but for such strikes, would be performed by employees of the Employer or person on strike.

Section 3. Grievances. Within five (5) working days of filing of grievances claiming violation of this Article, the parties to this Agreement shall proceed to the final step (Article 7, Section 1, Step 3) of the grievance procedure, without taking any intermediate steps, any other provision of this Agreement to the contrary notwithstanding.

ARTICLE 25 **MILITARY SERVICE**

Employees enlisting or entering the Military Service or Naval Service of the United States, pursuant to the provisions of the Universal Training and Service Act, as amended, and the Reserve Forces Act, as amended, shall be granted all rights and privileges provided by the Act.

ARTICLE 26 **PAY PERIOD**

All regular employees covered by this Agreement shall be paid in full each week. Not more than one (1) week's pay shall be held on an employee.

When the regular payday occurs on a holiday, employer shall pay the employees on the regular workday immediately preceding the holiday.

Each employee shall be provided with a statement of gross earnings and an itemized statement of all deductions made for any purpose.

ARTICLE 27 **HEALTH and WELFARE PLAN**

Section 1. Effective October 10, 2014, for the first year of the contract the Employer will contribute to the health, welfare and life insurance fund at the rate of (\$7.97) per hour not to exceed a maximum of eight (8) hours per day or forty (40) hours per week..

Section 1 (A). The foregoing contributions shall cover health, welfare and life insurance benefits.

Section 2. Commencing on **October 10, 2015**, any additional Employer contribution for health and welfare and pension will be determined by the Local Union, which will notify the Employer. The Employer will not be liable for any combination of increases in wages, health and welfare, and pension in excess of the amounts found in Article 14 of this agreement per hour during each year of the contract.

On **October 10, 2015** and **October 10, 2016**, the Union will divert from the negotiated wage and benefit package, the sum necessary to maintain the health & welfare hourly contribution rate provided for, on that date, not to exceed a maximum increase of ten percent (10%) per year.

Section 3. The contributions referred to above shall cover health, welfare, and life insurance benefits, and contributions as set forth in Sections 1 and 2 above and shall be made for each day worked or, if not worked for each day paid for pursuant to the terms of this Agreement covering holidays, vacations, and paid sick leave, to a maximum of eight (8) hours per day or forty (40) hours per week.

Section 4. The Employer shall make contributions as set forth in Section 2 above for each day worked for each extra, part-time, casual or probationary, employee that is participating in the health and welfare fund at the time of his employment. The Employer shall make payment to the health and welfare fund only for the number of days on which such extra, part-time, casual or probationary employee worked for the Employer. Payment to the fund on behalf of such employee shall be made in accordance with Section 6 below.

Section 5. The sums required in Section 2 above shall be remitted monthly to the Teamsters Health and Welfare Fund of Philadelphia, Pennsylvania and Vicinity (hereinafter referred to as the Fund). Such monthly payments shall be submitted to the Fund on or before the 28th day of the month following the month in which these monies were accrued.

Section 6. Notwithstanding the provisions of Article 8, the Union may suspend the operations of a delinquent Employer three (3) working days after receipt of a verification by telegram, registered or certified mail, that such employer is delinquent. Copies of the verification shall be sent by the administrator of the Fund to the Employer and the Local Union.

ARTICLE 28

PENSION

Section 1. Effective **October 10, 2014** the Company shall continue to contribute to the Teamsters Pension Trust Fund of Philadelphia and Vicinity (hereinafter referred to as the "Pension Fund") the sum of **(\$4.41)** per each hour worked by each employee on the regular seniority list, for all hours worked. Effective **October 10, 2015**, under the provisions of Article 14, the hourly contribution rate shall increase by (5%) to **(\$4.63)** per hour. Effective **October 10, 2016**, under the provisions of Article 14, the hourly contribution rate shall increase by (5%) to **(\$4.8625)** per hour. Commencing on **October 10, 2015**, the Employer will not be liable for any combination of increases in wages, health and welfare, and pension in excess of the amounts found in Article 14 of this agreement per hour each year of the contract.

Section 2. There shall be no other pension fund under this Agreement for employees covered by this Agreement.

Section 3. The contributions referred to above shall cover Pension as set forth in Section 1 above and shall be made for each day worked or, if not worked, for each day paid for pursuant to the terms of this Agreement covering holidays, vacations, and paid sick leave, to a maximum of eight (8) hours per day or forty (40) hours per week.

Section 4. The contributions required by Section 1 above shall be remitted monthly to the Pension Fund. Such monthly payments shall be submitted to the Pension Fund on or before the 28th day of the month following the month in which these monies were accrued.

Section 5. Each Employer shall complete and deliver to the Pension Fund, on forms supplied by the Pension Fund, an Employer's report, stating the name, social security number, and total contributions paid or due by Employer to the Pension Fund for each regular or probationary employee employed by Employer during the previous calendar month.

Section 6. The Trustees of the Pension Fund and of the Health and Welfare Plan shall have the right to require any Employer covered by this Agreement to make available to the Trustees or their duly accredited representatives, all time cards, payroll records, social security records, withholding tax records and state or municipal wage and income tax records for any and all employees covered by this Agreement.

Section 7. If an employee is granted a leave of absence, the Employer shall collect from said employee, prior to the leave of absence being effective, sufficient monies to pay the required contributions into the Pension and Health and Welfare Funds during the period of absence.

Section 8. An employee shall be required to retire in accordance with rules established by the Board of Trustees of the Pension Fund.

ARTICLE 29

NON - DISCRIMINATION

Section 1. The Employer and the Union agree not to discriminate against any individual with respect to hiring, compensation, and other terms and conditions of employment because of such individual's race, color, religion, sex, national origin or age (over 40), nor will they limit, segregate or classify employees in any way to deprive an individual of employment opportunities because of race, color, religion sex, national origin or age (over 40).

Section 2. Whenever any words are used in this Agreement in the masculine gender, they shall be construed as through they were also used in the feminine gender.

ARTICLE 30

MATERNITY-LEAVE

The Company agrees to permit employees to take leaves of absence in accordance with its Family and Medical Leave Act (FMLA) policy and as otherwise provided for in Article 10 of this Agreement.

ARTICLE 31

PHYSICAL EXAMINATIONS

Section 1. Examinations.

(A). Physical, mental or other examinations required by a government body or the Employer shall be promptly complied with by all employees; provided, however, the Employer shall pay for such examinations. Examinations are not to exceed one (1) in any one (1) year, unless the employee has suffered serious injury or illness within the year or has a recent pattern of leaving work or failing to report for work due to illness, or unless mutually agreed to by the Union and the Employer. Employees will not be required to take examinations during their working hours unless paid by the Employer, for all time involved.

(B). The Employer reserves the right to select its own medical examiner or physician, and the Union may, if it believes an injustice has been done an employee, have said employee reexamined at the Union's expense.

(C). If the two (2) physicians disagree as to the employee's physical or mental condition, such two (2) physicians shall mutually select a third (3rd) impartial physician within seven (7) days, whose opinion shall be final and binding on the Company, the Union and the employee. Such third (3rd) impartial physician shall be required to physically examine the employee and the employee's previous relevant medical records and history, including the findings of the first two (2) physicians, and based upon such examinations, to give his opinion as to whether or not the employee is physically or mentally capable of performing work. Neither the Company, the Union, nor the employee will attempt to circumvent the decision. Dispute concerning back pay shall be subject to the grievance procedure. The expense of the third (3rd) physician shall be equally divided between the Employer and the Union. The employee must cooperate to make the relevant records available to the physicians.

ARTICLE 32

LIE DETECTOR TEST

The Company agrees not to require, request or suggest that any employee or prospective employee take or shall cause, directly or indirectly, any employee or prospective employee to take a polygraph, lie detector or similar test or examination as a condition of employment or continuation of employment.

ARTICLE 33

INSURABILITY

If at any time, in the event the Employer's insurance carrier informs the company that any employee or employees, with valid CDLs must be excluded from insurance coverage while operating company equipment, or that insurance cost, because of a specific employee or employees, will be significantly increased, the Employer and the Union will jointly seek coverage for the Employer that is comparable in the type of coverage and cost. Should the parties jointly be unable to find an insurance carrier able to satisfy the Employer's required coverage at a comparable cost, the affected employee(s) shall be afforded work opportunity, consistent with their seniority standing, in a non-driving position. The employee(s) shall remain in a non-driving capacity at the applicable hourly rate for the work performed from the time that the insurance carrier informs the company that the employee is not eligible to drive a company vehicle until the driving record allows for coverage consistent with that of other employees, but in no event, longer than sixty (60) days. If suitable insurance coverage cannot be obtained within sixty (60) days from the date the employee is first excluded from coverage, then the employee will be placed in layoff status until he is qualified to return to a driving position in accordance with his seniority.

ARTICLE 34

ALCOHOL & DRUGS

The Employer and the Union recognize that the use and/or abuse of alcohol and drugs by employees during the performance of their duties present a serious threat to the safety and health of the employee(s) and the general public.

The parties agree that the application of this Article will be in compliance with all of the United States Department of Transportation (DOT) and the Federal Highway Administration (FHWA) rules and regulations, some of which will be specifically outlined in this Article. The parties agree that if new Federal or State mandated changes are brought about, they too will become part of this Agreement.

The employer must conduct pre-employment, probable suspicion, random, post-accident, return-to-duty, and follow up testing. The company will comply with all current DOT and FHWA mandated testing regulations, including referral to a Substance Abuse Professional in cases of positive result.

Section 1

Random Testing

- (a) All employees will be subject to random drug and alcohol testing. Employees sent for testing shall be paid their applicable straight time hourly rate for all time spent at the testing site.

(b) Employees to be tested shall be randomly selected using a computerized program administered by our collection site or other third party. Testing shall be evenly spaced throughout the year.

(c) For use under this Article any employee, as a result of what is deemed a positive drug and/or alcohol test, who is required to see a substance abuse professional (SAP) shall be responsible for any and all costs for the services provided by the SAP.

No employee shall be discharged as a result of a random positive drug or alcohol test, so long as he agrees to meet with the SAP and cooperate with and complete any recommended treatment or rehabilitation program.

The cost of any rehabilitation or treatment will be covered to the extent provided for by the employee's health plan. Rehabilitation or treatment not covered by the employee's health plan shall be the responsibility of the employee.

A refusal to meet with the SAP and to comply with any recommended treatment shall result in immediate discharge. The employee must register into the recommended program when instructed to do so by the SAP. Failure to do so will be considered failure to comply and will result in immediate discharge.

Under the Substance Abuse Policy the cost of all follow-up testing shall be the responsibility of the employee. The company shall inform the employee of the cost and after testing the cost shall be paid by the employee through payroll deduction.

Section 2

Probable Suspicion Testing

(a) All employees shall be subject to probable suspicion testing. In cases which an employee is acting in an abnormal manner and at least one (1) supervisor, two (2) if available, have probable suspicion to believe that the employee is under the influence of alcohol or controlled substances, the Employer may require the employee (in the presence of a union shop steward, if immediately possible) to go to a medical clinic to provide both urine and breath specimens for laboratory testing.

The supervisor(s) must have received training in the signs of drug and alcohol intoxication in a prescribed training program, which is endorsed by the Employer. Probable suspicion means suspicion based on specific personal observations that the Employer representative(s) can describe concerning the appearance, behavior, speech and/or breath odor of the employee.

The supervisor(s) must make a written statement of these observations within twenty-four (24) hours. A copy must be provided to the shop steward or other union official after the employee is discharged.

Suspicion is not probable and thus not a basis for testing if it is based solely on third (3) party observation and reports.

If requested, the employee will sign a consent form authorizing the clinic to perform the tests and release the results to his Employer's Medical Review Officer. The employee shall be removed from service without pay pending the results of the test(s). If the test(s) results are negative, the employee shall be reimbursed for all lost time.

For all purposes herein, the parties agree that the terms "probable suspicion" and "reasonable cause" shall be synonymous.

(b) An employee may raise an affirmative defense that the positive test result was attributable to the proper use of a prescription medication. If the employee raises such a defense to the Employer, at the employee's request, the company shall refer the employee to a qualified physician to discuss the employee's explanation for the positive test result. The qualified physician may decide that there is a legitimate explanation and declare the drug test to be negative. The employee may be required to provide evidence that a prescription has been lawfully prescribed by a physician.

(c) A refusal to provide either a breath or urine specimen will constitute a presumption of intoxication and the employee will be subject to discharge without the receipt of a prior warning letter.

Section 3. Post-accident

Post-accident testing is required if the following conditions arise:

- Fatality
- The driver receives a moving vehicle citation and any person involved in the accident requires immediate medical treatment away from the scene of the accident.
- The driver receives a moving vehicle citation and any vehicle in the accident is towed or incurs "disabling damage".

Alcohol testing will be required after accidents under the above conditions and drivers are required to submit to such testing within two (2) hours of the accident, if possible, and within eight (8) hours at the latest.

Drivers are required to submit to such testing as soon as possible within two (2) hours. Under no circumstances shall this type of testing be conducted more than eight (8) hours after the time of the accident.

The result of a breath or blood test for the use of alcohol or a urine test for the use of controlled substances, conducted by federal, state, or local officials having independent authority for the test, shall be considered to meet the requirements of post-accident testing, provided such tests conform to applicable federal, state or local requirements, and that the results of the tests are obtained by the Company.

(a) If the employee is unable to produce 45mL of urine, he/she shall be given up to 40 ounces of fluids to drink and shall remain at the collection site under observation until able to produce a 45mL specimen, for a period of up to three (3) hours. If the employee is still unable to produce a 45mL specimen, the Employer shall direct the employee to undergo an evaluation by a licensed physician concerning the employee's inability to provide an adequate amount of urine. If the physician concludes that there is no medical condition that would preclude the employee from providing an adequate amount of urine, the employee will be considered to have refused the test. If an employee is unable to provide sufficient breath sample for analysis, the procedures outlined in the DOT regulations shall be followed for all employees. Absent a medical condition, as determined by a licensed physician, the employee's failure to provide an adequate amount of breath will be regarded as a refusal to take the test. Contractual time limits for disciplinary action, as set forth in the Agreement, shall begin on the day on which specimens are taken.

Because of the consequences that a positive test result has on an employee, the Company will employ a very accurate two-stage testing program. Breath samples will be collected by a Breath Alcohol Technician (BAT), who has been trained in the use of an Evidential Breath Testing (EBT) device, in a course equivalent to the DOT's model course. All samples will be tested according to DOT alcohol testing requirements.

The initial screening test shall use an Evidential Breath Testing (EBT) device to determine levels of alcohol. The following cutoff level shall be used when screening specimens to determine whether it is negative for alcohol. The EBT must also be capable of distinguishing alcohol from acetone at the 0.02 concentration level, test an air blank, and perform an external calibration.

(b) Confirmatory Test

All specimens identified as positive on the initial screening test, showing an alcohol concentration of 0.08 or higher, shall be confirmed using an EBT that is capable of providing a printed result in triplicate; is capable of assigning a unique and sequential number to each test; and is capable of printing out, on each copy of the printed test result, the manufacturer's name for the device, the device's serial number, and the time of the test.

A confirmation test must be performed not sooner than fifteen (15) minutes after the screening test, but not more than thirty (30) minutes after the screening test.

Section 4

Disciplinary Action Based on positive drug and/or alcohol test results.

(a) Alcohol

Positive Test Result; Random, Probable Suspicion, and Post Accident Testing

- 1) State DWI/DUI Limit and above (Currently 0.08%)

Subject to discharge on first offense.

- 2) 0.02% - 0.079% BAC and involved in an accident resulting in a fatality, personal injury to any person who requires medical treatment away from the scene of the accident, the driver receives a moving vehicle citation and any vehicle in the accident is towed or incurs "disabling damage";

Subject to discharge on first offense.

- 3) 0.02% - 0.079% BAC, Subject to suspension.

(b) Drugs

Positive Test Result;

- 1) Random; Subject to suspension.
- 2) Probable Suspicion; Subject to discharge on first offense.
- 3) Post Accident Testing; Subject to discharge on first offense.

(c) Other disciplinary action in accordance with other sections of this Article.

- 1) An employee's refusal to submit to any drug and/or alcohol test will subject said employee to discharge.

Section 5. Laboratory Testing Methodology

1. Urine Testing

The initial testing shall be by immunoassay, which meets the requirements of the Food and Drug Administration for commercial distribution. The initial cutoff levels used when screening urine specimens to determine whether they are negative or positive for various classes of drugs shall be those contained in the Scientific and Technical Guidelines for Federal Drug Testing Programs (subject to revision in accordance with subsequent amendments to the HHS Guidelines).

All specimens identified as positive on the initial test shall be confirmed using gas chromatography/mass spectrometry (GC/MS) techniques. Quantitative GC/MS confirmation procedures to determine whether the test is negative or positive for various classes of drugs shall be those contained in the Scientific and Technical Guidelines for Federal Drug Testing Programs (subject to revision in accordance with subsequent amendments to the HHS Guidelines).

In testing urine samples, the testing laboratory shall test specifically for the following five drugs or classes of drugs. The laboratory may not test the specimens for any other drugs.

- (a) Marijuana metabolites.
- (b) Cocaine metabolites.
- (c) Amphetamines.
- (d) Opiate metabolites.
- (e) Phencyclidine (PCP).

2. Cutoff Concentrations For Initial And Confirmation Tests

The laboratory must use the cutoff concentrations displayed in the following table for initial and confirmation drug tests. All cutoff concentrations are expressed in nanograms per milliliter (ng/mL). The table follows:

Type of Drug or Metabolite	Initial Test	Confirmation Test
Marijuana metabolites	50	
(i) Delta-9-tetrahydrocannabinol-9-carboxylic acid (THC)		15
(2) Cocaine metabolites (Benzoylecgonine)	300	150
(3) Phencyclidine (PCP)	25	25
(4) Amphetamines	1000	
(i) Amphetamine		500
(ii) Methamphetamine		500 (Specimen must also contain amphetamine at a concentration of greater than or equal to 200 ng/mL)
(5) Opiate metabolites	2000	
(i) Codeine		2000
(ii) Morphine		2000
(iii) 6acetyl morphine		10 Test for 6-AM in the specimen. Conduct this test only when specimen contains morphine at a concentration greater than or equal to 2000 ng/mL.

(b) On an initial drug test, the laboratory must report a result below the cutoff concentration as negative. If the result is at or above the cutoff concentration, the laboratory must conduct a confirmation test.

(c) On a confirmation drug test, the laboratory must report a result below the cutoff concentration as negative and a result at or above the cutoff concentration as confirmed positive.

(d) The laboratory must report quantitative values for morphine or codeine at 15,000 ng/mL or above.

Section 6. Return to Employment After a Positive Urine Drug and/or EBT Alcohol Test

Upon completion of the SAP's evaluation, a re-test with a negative result and if necessary the completion of any recommended treatment program, the employee shall be returned to his position. From the date of his return to work, the employee shall be subject to six (6) follow-up tests for drugs and/or alcohol without prior notice for one year.

Section 7. Specimen Retention

All specimens deemed "positive" by the laboratory, according to the prescribed guidelines, must be retained at the laboratory for a period of one (1) year.

Section 8. Split Sample Procedure

There will be a split sample procedure for all employees selected for urine drug testing. When any test kit is received by the laboratory, the "primary" sealed urine specimen bottle shall be immediately removed for testing, and the remaining "split" sealed bottle shall be placed in secured storage. Such specimen shall be placed in refrigerated storage if it is to be tested outside of the DOT mandated period of time.

The employee will be given a shrink-wrapped or similarly protected urine collection kit containing two (2) containers for the urine specimen. One (1) container must contain at least 30mL of urine, and a urine specimen of at least 15mL shall be placed in the second (2nd) container. Both shall be sealed in the employee's presence, initialed by the employee, then forwarded to an approved laboratory for testing. If the employee is advised by the MRO that the first (1st) urine sample tested positive, the employee may, within seventy-two (72) hours of receipt of the actual notice, request from the MRO that the second (2nd) urine specimen be forwarded by the first laboratory to another independent and unrelated approved laboratory of the parties' choice for GC/MS confirmatory testing of the presence of the drug. If the employee chooses to have the second (2nd) sample analyzed, he/she shall at that time execute a special check-off authorization form to ensure payment by the employee. If the employee chooses the optional split sample procedure, and so notifies his Employer, disciplinary action can only take place after the first (1st) laboratory reports a positive finding and the second (2nd) laboratory

confirms the presence of the drug. However, the employee may be taken out of service once the first (1st) laboratory reports a positive finding while the second (2nd) test is being performed. If the second (2nd) laboratory report is negative, the employee will be reimbursed for the cost of the second (2nd) test and for all lost time.

Section 9. Laboratory Accreditation

All laboratories used to perform urine drug testing pursuant to this Agreement must be accredited by the Substance Abuse & Mental Health Services Administration (SAMHSA).

Section 10.

Leave of Absence Prior to Testing

- (a) An employee shall be permitted to take leave of absence for the purpose of undergoing treatment pursuant to an approved program of alcoholism or drug use. The leave of absence must be requested prior to the commission of any act subject to disciplinary action.
- (b) Such leave of absence shall be granted on a one (1) time basis and shall be for a maximum of sixty (60) days unless extended by mutual agreement. While on such leave, the employee shall not receive any of the benefits provided by this Agreement or Supplements thereto except continued accrual of seniority, nor does this provision amend or alter the disciplinary provision.
- (c) Employees requesting to return to work from a leave of absence for drug use or alcoholism shall be required to submit to a return to duty drug and alcohol test. The results of such tests must be negative. Failure to do so will subject the employee to discipline including discharge without the receipt of a prior warning letter.
- (d) The provisions of this Section shall not apply to casual and probationary employee

ARTICLE 35

TERM OF AGREEMENT

This Agreement shall be effective as of **October 10, 2014**, and shall remain in full force and effect up to and including **October 9, 2017**, and shall continue in force from year to year thereafter unless and until either of the parties hereto shall give to the other three (3) months written notice prior to the end of the original term in **2017** or three (3) months written notice prior to the end of any subsequent year of an intention to terminate at the end of the original term of the then current year, respectively.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the _____
day of _____, _____.

TEAMSTERS LOCAL UNION NO. 326

BY: **Leonard E. McCartney, Jr.**

TITLE: **Vice President**

SCHAGRIN GAS COMPANY:

BY: **Andrew Levinson**

TITLE: **President**

APPENDIX "A"

Effective 10/10/2014

Straight Time Base Rate, effective **October 10, 2014** is, **\$20.62** per hour

Overtime Rate – Effective October 10, 2005, the overtime rate shall be time and one-half the straight time hourly rate, plus an additional eight-four cents (\$.84) per overtime hour. The additional amount to be added to the overtime rate shall be adjusted at the commencement of each contract year, based on the amount of money diverted into the health & welfare and pension funds.

Service Technician

Performing troubleshooting, repairs and maintenance of all gas equipment and air conditioning systems. The employee must have successfully completed all NPGA & CETP training courses, provided by the Company. The Employee must have also successfully completed all EPA required refrigeration certification and training courses provided by the Company.

The Service Technician shall receive an additional \$1.50 over the Base Rate for the life of the Agreement.

Chief Mechanic - principal duties - performs repairs and maintenance on all company equipment and vehicles.

The Chief Mechanic shall receive an additional \$1.50 over the Base Rate of the life of the Agreement.

Delivery Driver/Serviceperson - principal duties – delivers, installs and services appliances, tanks and piping, delivers and picks up propane, pumps out tanks, and performs tank installations and changes. Basic Rate.

Transport Driver - principal duties – delivers, installs and services appliances, tanks and piping, delivers and picks up propane, pumps out tanks, and performs tank installations and changes.

The Transport Driver shall receive an additional \$1.00 per hour over the base rate for all hours worked for any day in which he operates a transport truck.

Backhoe Operator – employee shall receive Rate basic plus \$1.00 per hour for all hours worked for any day in which he operates a backhoe.

Yardman/Helper - Duties, performs all plant work, helps with vehicle and building maintenance and installations, including but not limited to pumping out tanks, painting tanks, repairing tanks, helping on service calls. The Yardman / Helper shall receive \$2.64 less than the base rate for the life of the agreement.

Lead Man- The Lead Man shall be mutually agreed upon by the company and the Union and shall receive one dollar (\$1.00) per hour over the employee's base rate of pay.

Early A.M. Loader

The Employee performing this function shall receive a bonus payment of twenty-four dollars (\$24.00) per week for performing this function during a six (6) day workweek. In the event the employee misses any workdays, the bonus shall be reduced by four dollars (\$4.00) for each day missed. The four-dollar (\$4.00) payment shall be made to any other employee who performs this function in place of the a.m. loader, if he misses that day's work.

The number of employees in each classification shall be determined by the Company. Seniority, qualifications, and experience shall be used to determine who will work in what classification. The Company must exercise fairness in judging the qualifications of employees and any complaint that it has failed to do so may be taken through the grievance procedure. Classifications will be bid on a yearly basis.

When a position becomes available in a classification, the Company shall post said classification for bid by seniority. Any employee may apply. However, before becoming a regular employee in the new classification, the person selected, based on seniority, qualifications, and experience shall serve a probationary period of ninety (90) days at his/her existing rate.

When employees are required to work in a higher classification on a temporary basis, they shall receive the higher rate.

When employees are required to work in a lower classification on a temporary basis, they shall receive their current rate.

If it becomes necessary to reduce the number of employees in a classification, seniority shall apply. The Company will give five (5) days notice prior to any reduction.

The Company may not use removal of an employee from a job classification as a form of discipline. The Employee may be removed from a job classification by the Company only after a meeting has taken place with the employee, steward and management, and only if the Company can prove that the employee does not have the skills needed and is not adequately performing the duties and responsibilities of the position. If the employee feels an injustice has been done, he may grieve it through the grievance procedure.

When the Company offers an employee an advance in classification, the Company will reimburse the employee for the cost of schooling approved in advance by the Company, the Company will pay the cost of schooling provided the employee successfully completes the

course. If the employee resigns from the Company within twelve months after completion of the course, the Company shall be entitled to reimbursement of the cost of the course, which may be withheld from the employee's wages. To satisfy any legal requirements, an employee shall, before being reimbursed, execute a written agreement providing that money for reimbursement can be withheld from his/her wages, including his/her final paycheck, under the circumstances set out above.

When the Company determines that schooling is required to bring an employee's skills up to the level at which he is already classified, the Company, will cover the cost of schooling and donate 50% of the class time. If an employee should have to go away from home for schooling, the Company shall pay said employee for all schooling, meals, lodging and wages.

APPENDIX "B"

RULES OF CONDUCT

The following Rules of Conduct and the penalties to be charged for violation of same are placed into effect after mutual approval of General Teamsters Local Union 326 and SchagrinGas Company. They were agreed to so that employees covered by this Agreement may know what duties are required of them in the general conduct of the Employer's business. Nothing in these Rules shall constitute a waiver if management's rights.

Nothing in these Rules of Conduct shall abrogate the employee's right through the Local Union to challenge a penalty through the regular grievance machinery, nor shall they relieve the Company of their responsibility to follow the proper and required disciplinary procedures provided for in the collective bargaining agreement.

In accordance with Article 6, Section 1, no written notice need be given to an employee before his is suspended or discharged, if the cause of suspension or discharge is

- 1) Calling of an unauthorized strike or walkout.
- 2) Drunkenness, drinking or using drugs (other than over the counter drugs or those prescribed by a physician for use by the employee during working hours (including lunch time) or being under the influence of liquor or prohibited drugs during working hours (including lunch time). (This shall not supercede provisions of the Alcohol & Drug Policy)
- 3) Proven theft or dishonesty (this is not intended to mean oral dishonesty).
- 4) The unprovoked assault on his Employer or his Employer's representative during working hours.

Discipline for other offenses shall be as follows:

- 5) Participating in any illegal strike, work stoppage or slow down in violation of the collective bargaining agreement
Subject to discharge
- 6) Willful and deliberate damage or destruction of company owned property.
Subject to discharge
- 7) Possession of a firearm while on duty, except with prior written authorization by the company.
Subject to discharge
- 8) Major chargeable accident (after full investigation). A major chargeable accident is a chargeable accident resulting in a fatality where the driver is grossly negligent.
Subject to discharge
- 9) Minor chargeable accident

First offense	Written warning
Second offense	Written warning
Third offense	3 day suspension
Fourth offense	5 day suspension
Subsequent offenses	Subject to discharge
- 10) Failure to comply with D.O.T. Rules and/or Safety Regulations.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge
- 11) Unauthorized or unjustified leaving work prior to completion of employee's tour of duty without permission.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 12) Flagrant disobeying of orders, except when orders would constitute a direct and intentional violation of the Agreement, or present a danger to the safety and wellbeing of the employee.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 13) Failure to wear or use government required safety or health protective equipment.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 14) Failure to work overtime as required by the collective bargaining agreement.

First offense	Written warning
Second offense	Written warning
Third offense	1 day suspension
Fourth offense	3 day suspension
Subsequent offenses	Subject to discharge

- 15) Removing, altering or making inoperative any equipment or device designed to protect employees from injuries.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 16) Failure to notify the Employer at least one hour before your regular show-up time when unable to report for duty.

First offense	Written warning
Second offense	Written warning
Third offense	1 day suspension
Fourth offense	3 day suspension
Fifth offense	5 day suspension
Subsequent offenses	Subject to discharge

- 17) Failure to call and failure to show when scheduled to report for work. No call/no show.

First offense	Written warning
Second offense	1 day suspension

Third offense	3 day suspension
Fourth offense	5 day suspension
Subsequent offenses	Subject to discharge

- 18) Failure to follow routings as designated or instructed.

First offense	Written warning
Second offense	3 day suspension
Third offense	5 day suspension
Subsequent offenses	Subject to discharge

- 19) Failure to report mechanically defective condition of equipment.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 20) Unauthorized use of company motor vehicles.

First offense	Written warning
Second offense	3 day suspension
Subsequent offenses	Subject to discharge

- 21) Failure to report breakdowns promptly at first opportunity.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 22) Failure to report to dispatchers at specified time when required to do so while on duty.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

- 23) Punching a timecard other than your own.

First offense	3 day suspension
Subsequent offenses	Subject to discharge

- 24) Failure to complete run or make pick-ups and/or deliveries as scheduled without satisfactory explanation.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day Suspension
Subsequent offenses	Subject to discharge

25) Unnecessary delaying of delivery.

First offense	Written warning
Second offense	1 day suspension
Third offense	3 day suspension
Subsequent offenses	Subject to discharge

26) Creating a fire or safety hazard.

First offense	3day suspension
Subsequent offenses	Subject to discharge

27) Use of equipment in violation of OSHA safety regulations.

First offense	Written warning
Second offense	3day suspension
Subsequent offenses	Subject to discharge

28) Sabotaging safety and/or fire equipment

First offense	Subject to discharge
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Any disciplinary action, whether a warning notice or a suspension that is over twelve (12) months old shall be forgiven, removed from the employee's file and the employee's record wiped clean.

An employee shall not receive warning letters and/or suspensions for violation of more than one Rule because of any single incident or infraction.

A warning notice, in writing, with a copy to the Local Union must be given for violations of any Rules or Regulations in order to be utilized as part of progressive discipline.

Discharge or suspension must be by proper written notice, with a copy to the Local Union.

The foregoing Rules of Conduct have been formulated to serve as guideposts for the employees. It is to be understood that before any other offenses and/or penalties may be applied, they must be agreed to in writing between the Employer and the Union.

MISCELLANEOUS:

- (a) Penalty for three (3) minor offenses in a ninety (90) day period. (See Note # 1)
Subject to one-day suspension
- (b) Penalty for three (3) major offenses in a twelve (12) month period. (See Note #2)
Subject to discharge

Note # 1: A minor offense is defined as one for which the penalty is a written warning.

Note # 2: A major offense is defined as one for which the penalty is disciplinary time off.

**GENERAL TEAMSTERS
LOCAL UNION NO. 326
New Castle, Delaware**

OFFICERS

Joseph W. Smith, Jr. - President/Business

Paul A. Thornburg - Secretary-Treasurer/Business Agent

Leonard E. McCartney, Jr. - Vice-President/Business Agent

Warren F. Schueler, Jr. - Recording Secretary

TRUSTEES

Richard L. Gibbons, Jr.

Paul R. Bishop

Gene Pytko